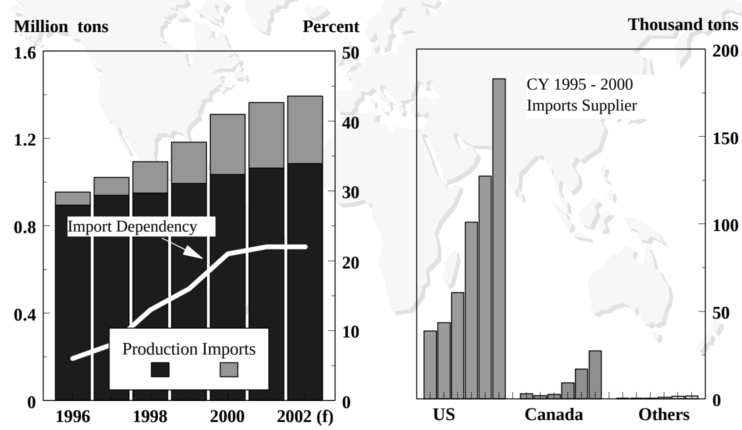
Mexico's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Swine (1,000 head)							
Total Supply*	24,703	24,777	25,465	25,862	25,754	25,784	25,804
Slaughter	12,453	12,770	13,105	13,575	13,615	13,765	13,840
Pork (1,000 tons; carcass weight equivalent)							
Production	895	940	950	994	1,035	1,065	1,085
Imports	59	82	144	190	276	300	310
Consumption	928	983	1,045	1,131	1,252	1,305	1,335
Exports	26	39	49	53	59	60	60
Ending stocks	0	0	0	0	0	0	0

* Total supply = beginning inventories + pig crop + imports

Mexico's Pork Import Dependency Stabilizes as Domestic Production Increases



Mexico’s pork production for 2002 is forecast to climb 2 percent from the previous year to a record 1.1 million tons, reflecting swine and pork production capacity increases in large, vertically integrated companies. The continued expansion of companies with more than 500 sows more than offsets a decline in the medium and small size farms. Pork imports for 2002 are forecast to expand to a record 310,000 tons as domestic production is unable to keep up with consumer demand. Although much of the meat is still purchased through the traditional *mercados*, consumers are increasingly using supermarkets and discount warehouses. These retail chains are generally well set up to import. The United States is the dominant supplier of pork to Mexico, but Canada has started to increase its market share. Mexico’s pork exports for 2002 are forecast at 60,000 tons, unchanged from 2001, with about half of the exports destined for Japan.